

REMARKS

A. Status of Claims

Claims 35 – 66 are pending in the application. Claims 1 – 34 have been cancelled, without prejudice to Applicant's right to pursue such claims at a later date. New claims 35 – 66 have been presented. No new matter has been added. Support for the new claims can be found at page 1, lines 13 – 24, page 2, line 5 – page 3, line 26, and page 5, line 12 – page 6, line 9.

B. Summary Of Office Action

The Examiner has rejected claims 1 – 34 under 35 U.S.C. 101; 35 U.S.C. 112, first and second paragraph; and 35 U.S.C. 103(a) as being unpatentable over several references including (using the names given to such references by the Examiner for ease of reference) Corporate Finance, in view of Getlen and Albulescu.

C. Response

1. Pending Rejections

Claims 1 – 34 have been cancelled, thereby rendering moot the rejections asserted by the Examiner in the outstanding Office Action.

2. New Claims

The newly presented claims comply with 35 U.S.C. 101 and 112, first and second paragraph. In particular, each of independent claims 35, 43, 51 and 59 recite statutory subject matter, as it is directed to a process with a practical application, namely, the act of crediting. In addition, such claims comply with 35 U.S.C. 112, first paragraph, as the specification enables a process for providing liquidity to a financial transaction as an alternative to bank-provided liquidity. Finally, such claims recite a method for providing liquidity to a financial transaction,

including the steps by which this is accomplished (i.e., by crediting payments in a particular way); thus, these claims comply with 35 U.S.C. 112, second paragraph.

Independent claims 35, 43, 51 and 59 are also patentable over the prior art of record. The Examiner cites Getlen to demonstrate a particular method of allocating payments to a credit card account (i.e., where a lower interest portion is paid in full prior to allocating payments to the higher interest portion). Getlen is non-analogous art, as credit cards on the one hand, and term notes/money market notes (i.e., commercial paper) on the other hand, are completely different types of financial instruments. In a credit card transaction, one would not even have need for the method claimed herein (i.e., a method for providing liquidity to a transaction).

The Examiner cites Corporate Finance to demonstrate an arrangement in which a money market fund is used as a repository for bond proceeds, but admits that it does not disclose any method of allocating a collection of principal for a term note to a money market note.

The Examiner cites Albulescu to demonstrate that the collection is for the principal of the term note. According to the Examiner, Albulescu discloses a sequential pay structure in a CDO where senior debt is paid down before junior debt using collateral principal payments. In contrast, the term note and the money market note claimed in independent claim 35 have the same credit risk rating (i.e., one is not junior to the other).

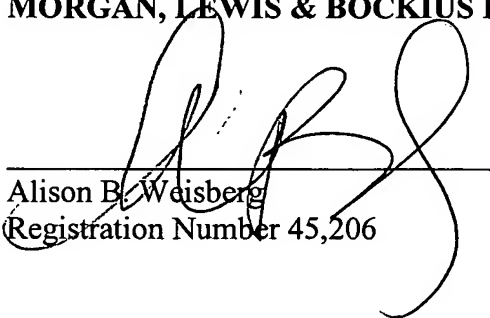
Because independent claims 35, 43, 51 and 59 are patentable, the claims which depend therefrom are likewise patentable for at least the foregoing reasons.

CONCLUSION

In view of the foregoing, it is respectfully submitted that the pending claims are in condition for allowance. Applicants respectfully request reconsideration of the claims and the timely allowance thereof. Please charge any fees due in connection with this filing to our Deposit Account No. 50-0310. The Examiner is invited to contact the undersigned at 215-963-5091 to discuss any matter concerning this application.

Respectfully submitted,

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Dated: December 20, 2007